

sec news digest

Issue 82-70

APR 14 1982

April 13, 1982

ADMINISTRATIVE PROCEEDINGS

U.S. SECURITIES AND
EXCHANGE COMMISSION

CHRISTOPH SECURITIES, INC. AND
RICHARD T. CHRISTOPH SANCTIONED

The Commission announced that public administrative proceedings have been instituted against Christoph Securities, Inc. (Registrant), a broker-dealer registered pursuant to Section 15(b) of the Securities Exchange Act of 1934, located in Lake Forest, Illinois, and Richard T. Christoph, Registrant's president and sole shareholder, pursuant to Section 15(b) of the Exchange Act. The Commission simultaneously accepted Offers of Settlement from the respondents.

The respondents consented to findings that they were enjoined from violating or aiding and abetting violations of Section 10(b) and 15c1-2 of the Exchange Act and Rules 10b-3, 10b-5, and 15c1-2 thereunder. In addition, Christoph consented to findings that he was enjoined from violating Section 7(f) of the Exchange Act and Regulation X thereunder and from aiding and abetting violations of Section 7(d) of the Exchange Act and Regulation U thereunder.

In its Offer of Settlement Christoph Securities consented to the suspension of its registration as a broker-dealer for 45 days. In Christoph's Offer of Settlement, he consented to a suspension from association in any capacity with any broker-dealer, investment company, investment adviser or municipal securities dealer for a period of 45 days. (Rel. 34-18638)

TRADING SUSPENSIONS

TRADING SUSPENDED IN FIDELITY FINANCIAL CORPORATION

The Commission announced the temporary suspension of exchange and over-the-counter trading in the securities of Fidelity Financial Corporation, a California corporation with offices located in Oakland, California, for the ten-day period beginning at 11:40 a.m. on April 12 and terminating at midnight (EST) on April 21, 1982. The Commission suspended trading pending a regulatory announcement.

Any broker-dealer or other person who has any information which may relate to this matter is encouraged to telephone the Commission's San Francisco Branch Office at (415) 556-5264 or the Washington, D.C. office at (202) 272-2976. (Rel. 34-18639)

CIVIL PROCEEDINGS

CHRISTOPH SECURITIES, INC. AND
RICHARD T. CHRISTOPH ENJOINED

The Chicago Regional Office announced that on April 12 the Honorable Joel M. Flaum, Judge of the U.S. District Court for the Northern District of Illinois, Eastern Division, entered a Final Judgment of Permanent Injunction against Christoph Securities, Inc. and Richard T. Christoph, both located in Lake Forest, Illinois. The defendants consented to the injunctions without admitting or denying the allegations in the Commission's complaint. The Judgment enjoins Christoph and Christoph Securities from violating or aiding and abetting violations of Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-3, 10b-5 and 15c1-2 thereunder. In addition, the Judgment also enjoins Christoph from aiding and abetting violations of credit provisions of the Exchange Act. The complaint alleged that the defendants purchased Great Southern Corporation stock during the period May 9, 1978 to June 26, 1978 while in possession of material, non-public information concerning the interest of NLT Corp. in acquiring Great Southern and the acquisition by NLT of Great Southern

stock; it was also alleged that between January 25, 1978 and May 8, 1978 the defendants, in connection with the sale of Great Southern stock by certain customers of Christoph Securities, omitted to disclose certain material facts concerning the interest of NLT in acquiring Great Southern and its acquisition of Great Southern stock. The Judgment also orders disgorgement of profit of \$200,000 arising from the purchase of Great Southern stock. (SEC v. Christoph Securities, Inc., et al., N.D. Ill., Civil Action No. 82-C-2216). (LR-9644)

INVESTMENT COMPANY ACT RELEASES

HUTTON INVESTMENT PARTNERSHIP I

An order has been issued on an application filed by Hutton Investment Partnership I ("Partnership"), an employees' securities company, for the exclusive benefit of certain employees of The E.F. Hutton Group Inc. and its subsidiaries, amending an earlier Commission order dated July 29, 1981 (IC-11877). The amended order exempts certain additional investment activities by the Partnership from the provisions of Sections 17(a)(2) and (d) of the Act and exempts the Partnership from certain requirements of Section 18(a)(1) of the Act. (IC-12362 - Apr 8)

MASSACHUSETTS FINANCIAL HIGH INCOME TRUST, et al.

An order has been issued on the application of Massachusetts Financial High Income Trust, Massachusetts Investors Trust, Massachusetts Investors Growth Stock Fund, Inc., Massachusetts Income Development Fund, Inc., Massachusetts Capital Development Fund, Inc., Massachusetts Financial Development Fund, Inc., Massachusetts Financial Bond Fund, Inc., Massachusetts Cash Management Trust, MFS Managed Municipal Bond Trust, MFS Tax-Exempt Money Market Trust (formerly Massachusetts Cash Management Trust II), Massachusetts Financial Emerging Growth Trust, and Managed Cash Account Trust, each of which is registered as an open-end, diversified management investment company, Massachusetts Financial International Trust (formerly MFI Trust) (collectively with the above-named entities, the "Funds"), registered under the Act as an open-end, non-diversified management investment company, and Massachusetts Financial Services Company, investment adviser and principal underwriter of the Funds, declaring that Charles W. Schmidt shall not be deemed an "interested person," as that term is defined in Section 2(a)(19) of the Act, of the Funds or of their investment adviser and principal underwriter, and that he shall not be deemed an "affiliated person," for purposes of Section 10(f) of the Act or otherwise, of Shearson/American Express Inc. by reason of his positions as director of The Boston Company, Inc. and of Boston Safe Deposit and Trust Company. (IC-12361 - April 8, 1982)

MERRILL LYNCH KECALP VENTURES LIMITED PARTNERSHIP 1982

An order has been issued on an application filed by Merrill Lynch Kecalp Ventures Limited Partnership 1982 (the Initial Partnership) and KECALP, INC., the general partner of the Initial Partnership, pursuant to Sections 6(b) and 45(a) of the Investment Company Act of 1940, exempting the Initial Partnership and subsequent similar limited partnerships from the provisions of Sections 8(b), 10(a), (b) and (f), 14(a), 15(a), 16(a), 17(a), (d), (f) and (g), 18(a)(1) and (i), 19(b), 20(a), 23(c), 30(a), (b) and (d) and 32(a) of the Act and granting confidential treatment to the extent that certain periodic reports are filed with the Commission under Section 30 of the Act in connection with their proposed operation as employees' securities companies within the definition of Section 2(a)(13) of the Act for the exclusive benefit of certain employees of Merrill Lynch & Co., Inc., and its subsidiaries. (Rel. IC-12363 - Apr. 8)

RENAISSANCE READY ASSETS TRUST

An order has been issued conditionally exempting Renaissance Ready Assets Trust from the provisions of Section 2(a)(41) of the Investment Company Act of 1940 and Rules 2a-4 and 22c-1 thereunder, to the extent necessary to permit it to calculate the net asset value per share of each of its two authorized series of shares of beneficial interest using the amortized cost method of valuation. (Rel. IC-12364 - Apr. 8)

HOLDING COMPANY ACT RELEASES

THE COLUMBIA GAS SYSTEM, INC.

A supplemental order has been issued authorizing a proposal of The Columbia Gas System, Inc., a registered holding company, and five of its subsidiaries, regarding certain intrasystem financing. Jurisdiction has been reserved over other transactions as to which the record is not yet complete. (Rel. 35-22452 - Apr. 9)

KINGSPORT POWER COMPANY

An order has been issued authorizing Kingsport Power Company, subsidiary of American Electric Power Company, to amend its term loan agreement with Manufacturers Hanover Trust Bank and First Eastern National Bank. (Rel. 35-22453 - Apr. 9)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

WITHDRAWAL SOUGHT

A notice has been issued giving interested persons until April 29 to comment on the application of Kleinert's Inc. to withdraw its common stock (\$2.50 par value) from listing and registration on the American Stock Exchange, Inc. (Rel. 34-18627)

DELISTING GRANTED

An order has been issued granting the application of the Pacific Stock Exchange, Inc. to strike the common stock (\$1 par value) and the 7% cumulative income preferred shares (\$9.15 par value) of Scudder Duo-Vest, Inc. from listing and registration thereon. (Rel. 34-18629)

TRUST INDENTURE ACT RELEASES

J.C. PENNEY COMPANY, INC.

A notice has been issued giving interested persons until May 3 to request a hearing on an application by J. C. Penney Company, Inc., pursuant to Section 310(b)(1)(ii) of the Trust Indenture Act of 1939, declaring that the trusteeship of Citibank, N.A., under an indenture of Applicant and an indenture of J.C. Penney Global Finance N.V. with Applicant as guarantor is not so likely to involve a material conflict of interest as to make it necessary to disqualify Citibank from acting as trustee. (Rel. TI-709 - Apr 7)

AMERICAN AIRLINES, INC.

An order has been issued under the Trust Indenture Act of 1939 on an application of American Airlines, Inc. that the successor trusteeship of J. Henry Schroder Bank and Trust Company under two indentures of American Airlines is not so likely to involve a material conflict of interest to disqualify Schroder from acting as successor trustee. (Rel. TI-710 - Apr 8)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC pursuant to the Securities Act of 1933. The information noted below has been taken from the cover page and the facing sheet of the prospectus and registration statement and will appear as follows: Form; Name, address and phone number (if available) of the issuer of the security; Title and the number or face amount of the securities being offered; Name of the managing underwriter (if applicable); Whether the offering is a rights offering; File number and date filed; Assigned Branch; and whether the registration statement is a New Issue.

(S-18) THOROUGHBRED HORSE COMPANY, 1550 N.E. Miami Gardens Dr., North Miami Beach, FL 33179 (305) 944-8210 - 6,000,000 shares of common stock and 600,000 warrants (with

underlying common stock). Underwriter: Harbor Town Securities Corporation, 90 West Wieuca Rd., Atlanta, GA 30342. The company plans to engage in purchasing, owning, breeding, managing and selling thoroughbred horses to be used in racing. (File 2-76774 - Mar. 31) (Br. 3 - New Issue)

- (S-3) THE HARTFORD ELECTRIC LIGHT COMPANY, Selden St., Berlin, CT 06037 (203) 666-6911 - \$40 million of first mortgage bonds, 1982 Series. The company is engaged in the production, purchase, transmission, distribution and sale of electricity, among other things. (File 2-76906 - Apr. 8) (Br. 7)
- (S-8) NORTH AMERICAN NATIONAL CORPORATION, P.O. Box 625, 1015 East Broad St., Columbus, OH 43216 (614) 464-6256 - 93,640 shares of common stock. (File 2-76915 - Apr. 8) (Br. 9)
- (S-11) WINGATE HOUSING PARTNERS, LTD., Suite 2020, One Boston Pl., Boston, MA 02108 (617) 742-4371 - 15,000 limited partnership interests, \$1,000 per interest. The partnership proposes to invest in Local Limited Partnerships which will rehabilitate, own and operate a Housing Development classified as an historic structure and/or low-income housing. (File 2-76932 - Apr. 8) (Br. 6 - New Issue)
- (S-8) AMERICAN CYANAMID COMPANY, One Cyanamid Plaza, Wayne, NJ 07470 (201) 831-2000 - an indeterminate number of shares of common stock, and \$197 million of interests in Cyanamid Employees Savings Plan. (File 2-76933 - Apr. 8) (Br. 2)
- (S-8) BURROUGHS CORPORATION, Burroughs Pl., Detroit, MI 48232 (313) 972-7532 - 2,000,000 shares of common stock; and 1,400,000 shares of common stock. (File 2-76948 and 2-76949 - Apr. 9) (Br. 10)
- (S-8) NITRON, INC., 10420 Bubb Rd., Cupertino, CA 95014 (408) 255-7550 - 253,110 shares of common stock; and 50,000 shares of common stock. (File 2-76950 and 2-76951 - Apr. 8) (Br. 7)
- (S-8) XEROX CORPORATION, P.O. Box 1600, Stamford, CT 06904 - \$320,940, and \$11,186,520 participating interests in the Employee Savings Account - General Fund and Xerox Stock Fund. (File 2-76952 and 2-76953 - Apr. 9) (Br. 3)
- (S-7) ATLANTIC AMERICAN CORPORATION, 4370 Peachtree Road, N.E., P.O. Box 10072, Atlanta, GA 30319 (404) 231-1010 - 415,000 shares of common stock. (File 2-76954 - Apr. 9) (Br. 10)
- (S-1) SPECTRUM 7 1982-B DRILLING PROGRAM, 2040 Central Trust Center, Cincinnati, OH 45202 - \$5 million of limited partnership units (\$5,000 per unit). The Program will engage in oil and gas exploration and drilling activities. (File 2-76955 - Apr. 9) (Br. 3 - New Issue)
- (S-16) SYSCO CORPORATION, 1177 West Loop South, Houston, TX 77027 (813) 877-1122 - 125,000 shares of common stock. (File 2-76956 - Apr. 8) (Br. 3)
- (S-8) ENERGY SYSTEMS, INCORPORATED, 9025 Flying Cloud Dr., Eden Prairie, MN 55344 (612) 941-3838 - 80,000 shares of common stock. (File 2-76957 - Apr. 9) (Br. 8)
- (S-8) DIAL CORPORATION, 207 Ninth St., Des Moines, IA 50307 (515) 243-2131 - \$10 million of Senior Indebtedness. (File 2-76958 - Apr. 9) (Br. 2)
- (S-8) MONUMENTAL CORPORATION, 1111 North Charles St., Baltimore, MD 21201 (301) 685-2900 - 450,000 shares of common stock. (File 2-76959 - Apr. 9) (Br. 10)
- (S-8) THE RYLAND GROUP, INC., 10221 Wincopin Circle, Columbia, MD 21044 - 200,000 shares of common stock. (File 2-76960 - Apr. 9) (Br. 9)
- (S-8) FIDELCOR, INC., 1200 E. Lancaster Ave., Rosemont, PA 19010 (215) 527-3188 - 450,000 shares of common stock. (File 2-76961 - Apr. 9) (Br. 1)
- (S-1) AMERICAN COMPLETION FUND, 5347 South Valentia Way, Englewood, CO 80111 - \$30 million in preorganizational subscriptions and limited partnership interests. (File 2-76962 - Apr. 12) (Br. 16 - New Issue)

REGISTRATIONS EFFECTIVE

Apr. 2: Grand Mesa Kennel Club, Inc., 2-75914-D

Apr. 7: Citizens National Bancshares, Inc., 2-74325; Municipal Investment Trust Fund, Two Hundred Twenty-First Monthly Payment Series, 2-76544.

Apr. 8: First City Bancshares, Inc., 2-76589; Houston Industries, 2-76661.